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VI

MILITARY AND VETERANS

MAJOR ACTIONS, July-September 1947

Cash redemption of terminal leave bonds - passed House and Senate; approved.

Unification of the Armed Forces - passed Senate and House; approved.

CASH REDEMPTION OF TERMINAL LEAVE BONDS

When the Armed Forces Leave Act was passed by the House in 1946, it provided for cash payment for terminal leave for enlisted men as well as officers. In the Senate the bill was amended to provide for payment of all sums under \$50 in cash and larger sums in 5-year non-negotiable bonds. This provision was retained in the conference agreement, but various Senators and Representatives served notice that they would introduce cash-payment bills in the next session (Vol. III, pp. 514ff.).

The first bill introduced in the House in the Eightieth Congress was for tax reduction. HR 2 and 3 were for cash redemption of terminal leave bonds. About 30 other cash-payment bills were introduced in the House. The Armed Services Committee rewrote and reported HR 4017, by Representative William W. Blackney (R Mich.), which would allow holders of the bonds to redeem them for cash after September 1, 1947, would permit payment of all future claims in cash on request, and extend the time for applying for terminal leave to September 1, 1948.

There was no real debate in either House, since no one opposed the bill. There were, however, many speakers in both House and Senate who wished to endorse the measure and to declare that it would not be inflationary, as the Treasury had contended in hearings. It was estimated that about 8.5 million veterans held bonds valued at \$1,792,000,000. Tribute was paid in both houses to Representative Dwight L. Rogers (D Fla.) author of the 1946 act and spearhead of the fight to get action by the House committee on the many 1947 bills.

The House passed the bill July 7 on a roll call, 388 to 0 (see p. 474). The Senate voted for the bill, 85 to 0, on July 19 (see p. 473).

Ten days after cash redemption of bonds became possible, the Treasury announced that more than one-third of the \$1,800,000,000 bonds outstanding had been cashed.

✓ UNIFICATION OF THE ARMED FORCES

Unification of the armed forces, which has been under study since 1944, was authorized by the Eightieth Congress in July 1947. In 1945 President Truman sent to Congress a plan for unification of the Army, Navy, and Air Force as coordinate sections of a single Department of Common Defense, and this plan was the basis of a bill reported favorably by the Senate Military Affairs Committee in April the following year. The Navy reiterated its objections to concentration of power in a single department and to having an Air Force coordinate with Army and Navy. It was also fearful that the Marine Corps and naval aviation might be jeopardized. The Military Affairs Committee revised the bill to meet some of these objections, but the Naval Affairs Com-

he said, would assign to the services their World War II functions and "compel them to accept these frozen concepts in dealing with wars in the future." However, he did not attempt to force a roll call, and the report was accepted by voice vote.

The House followed suit next day, although some Members regretted that House provisions for a civilian head of the Central Intelligence Agency had not been retained. Hoffman again warned that the bill opened the door to military dictatorship, but he said that this was the best bill that could be obtained.

REORGANIZATION EFFECTED

On September 17 James Forrestal, former Secretary of the Navy, became the new Secretary of Defense. On the following day, John L. Sullivan, former Under Secretary of the Navy, was sworn in as Secretary. Kenneth C. Royall, who had succeeded Robert P. Patterson as Secretary of War, now became Secretary of the Army. W. Stuart Symington, former Assistant Secretary of War, became Secretary of the Air Force.

In a press statement, Forrestal said that reorganization would be effected by "evolution, not revolution." It would take some time to put into practice the provisions of the bill, which represented divergent points of view, he warned, and large and immediate savings should not be expected by the public.

ARMY-NAVY PROMOTION SYSTEM

On June 25 the House passed HR 3830, a bill which would place promotion in the Army on the same basis as that which has obtained for some time in the Navy -- i.e., selection rather than seniority. The Navy's selection system would be extended to include admirals. The measure also abolished the wartime five-star rank except for those now holding it, and limited the number of four-star officers to 11 -- four in the Army, three in the Navy, three in the Air Force, and one in the Marine Corps (Vol. III, pp. 309-10).

The Senate Armed Forces Committee reported the bill July 18, but not until nine o'clock of the last night of the session did Senator Raymond E. Baldwin (R Conn.), in charge of the measure, succeed in getting it to the floor. He did so over repeated protests from Senator Tom Connally (D Tex.), who said that a bill 330 pages long should not be rammed down the throat of the Senate in the closing hours of the session. Connally, who had fought against establishment of the existing Army system and so was in sympathy with the aims of the bill, said that he did not want merely to substitute favoritism and politics for seniority as the basis of promotion. He could not vote intelligently, he declared, without some study of the bill.

Baldwin explained that 247 pages of the bill were mere codification of present Navy practices and the rest was simple in its broad outlines. Passage, he said, was earnestly requested by James Forrestal, shortly to become Secretary of Defense, in order to retain many of the efficient wartime officers who would not stay in the services if they saw no prospect of promotion except by the process of getting older. The new rapid-promotion system for men of special ability would make the military career more attractive to brilliant men, and the bill would also increase military efficiency by making it possible to get rid of unqualified officers.

Senator Spessard L. Holland (D Fla.) joined with Connally in trying to postpone consideration until Senators could familiarize themselves with the contents of the bill. However, Holland's motion to recommit was lost by voice vote, and the Senate refused a roll call.

The Senate then agreed to a long series of committee amendments, most of which were clarifications, some occasioned by the passage of the unification bill. Two important changes were made: The number of four-star officers in each service except the Marine Corps was increased by one, making 14 in all. The Army Engineers were assured continuation of the branch chiefs and assistant chiefs concerned with the Engineers' civil functions. The bill was passed on a division requested by Holland. Just before midnight, July 26, the House agreed to the Senate amendments and completed Congressional action on the bill.

H.R. 2319 represents a sincere effort of the services to settle differences which have existed between them in order to provide for increased national security. The bill represents a compromise, drawn up in a spirit of cooperation and mutual understanding, designed to provide the nation with a defense organization adaptable to modern warfare.

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The last war taught us many lessons which we should take into account in planning for the future. This bill incorporates those lessons. It gives legal status to those agencies which were found to be essential to the conduct of global war. It is geared to the increased tempo which modern weapons impose upon the conduct of war. It is sufficiently flexible to permit the ready incorporation of methods which future needs may dictate.

The bill provides for integration of the Departments of State, Army, Navy and Air Force, through the National Security Council, to the extent necessary to keep our military policy in balance with our foreign policy. It legalizes, formalizes and amplifies the now existing Committee of Three consisting of the Secretaries of State, War and Navy, which is the genesis of a National Security Council. That is a forward-looking and necessary step.

The bill provides for what I believe is vitally needed top management. It is my concept that the President will control the decisions of the Secretary of National Defense on matters of great importance to the United States just as closely as he would corresponding decisions of any Secretary of a Department of the Government. The President is the person ultimately responsible for decisions on matters of national security, and I cannot believe that a Secretary of National Defense would make any important decision without his approval.

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I have touched only briefly on the bill. The officers

who participated in its drafting will present to you a detailed analysis of its provisions.

In my opinion this bill, when taken in its entirety, will provide us with a more effective organizational structure for our national security. I recommend it to your favorable consideration.

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STATEMENT OF
ASSISTANT SECRETARY OF THE NAVY W. JOHN KENNEY
BEFORE THE SENATE ARMED SERVICES COMMITTEE
ON S. 758

My statement is directed primarily towards the problem of supplying a military establishment and the character of organization best designed to do that -- with particular emphasis on purchasing and procurement. I am stressing that phase of the problem of logistics because of the interest that has been evidenced in it. If the Committee desires an amplification on the other phases, the Deputy Chief of Naval Operations for Logistics, Vice Admiral Carney, can explain from the military point of view how requirements are determined and how material procured is delivered to the fleet.

S. 758 will, in my opinion, create a more efficient organization. It makes possible a military establishment that is both responsive to military needs and to the related diplomatic and industrial requirements. However, the ultimate determination of the effectiveness of any military organization is proven only by its ability first to prevent war, and second if war occurs to win that war. The procurement of material to supply a military establishment is a function of service and to that extent is a subordinate and ancillary function. Its importance should not, however, be underestimated as it is the foundation on which the fighting force rests. The supply organization must be properly related to the military establishment it supports or the efficiency of the latter will be affected.

A supply organization must be able---

(1) to provide for expansion in time of war without disruption of organization or reassignment of functions;

(2) to have the flexibility to respond to operational and technical requirements;

(3) to provide strategic dispersion of stocks and records within practicable limits;

(4) to have effective coordination with all operating and technical agencies of related organizations within and without the government;

(5) to permit economy of operation through mobility of support and control of material.

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ies for the Resources Board in time of peace:

- (1) make studies, collect data, and make recommendations as to industrial policies and programs, and perform all technical and statistical staff functions and duties required by the National Security Resources Board in the development of a National Industrial Mobilization Plan;
- (2) collect and maintain information relating to the actual and potential manpower, resources, and production facilities of the Nation;
- (3) develop and recommend educational programs designed to provide an adequate supply of trained personnel to meet the industrial needs of the Nation in an emergency;
- (4) assemble for the consideration of the National Security Resources Board material and personnel requirements of the Services as these are developed from directives of the Joint Chiefs of Staff;
- (5) Assemble for the consideration of the National Security Resources Board the material and personnel requirements of the civil economy in an emergency as this data is developed by Federal agencies and other sources;
- (6) Delineate for the consideration of the National Security Resources Board overages and shortcomings of national industry in respect to (5) and (6), with recommendations on the feasibility of meeting demand, the assignment of relative priority, and suggested correction of deficiency.

Except when the Resources Board is an active operating organization it would be desirable to have the same individual serve as the Chairman of both Boards. In this way the complementary character of the Boards to each other can be assured.

In conclusion, I wish to emphasize my support of the National Security Act of 1947. S.758 provides an orderly process for an efficient reorganization of our military establishment and assures a sound foundation for integrated military, foreign relations, industrial, and economic organizations.

APPENDIX

SPEECH BY THE HONORABLE OLIVER LYTTLETON
BEFORE
THE HOUSE OF COMMONS ON OCTOBER 30, 1946 ON
PLANS FOR CENTRAL ORGANIZATION FOR DEFENSE

SUPPLY MATTERS

I turn to some supply matters touched upon by the White Paper, and I wish to make a point regarding the Ministry of supply, with which is now embodied the Ministry of Aircraft Production. My point arises out of paragraphs 20 (b) and 26 (a). The Ministry of Supply is responsible for the production of weapons of war for the Army and Air Force. Honorable Members must distinguish between the relations of the Admiralty with the industries which supply them, and the relationship of the Army and Air Force with the industries which supply them. The relationships are entirely different. The Admiralty, so to speak, do their own ordering direct, and follow the progress of the orders they place with industry. The Army and Air Force, on the other hand, have a separate and distinct Ministry to handle these matters for them. Those Services are, so to speak, one Ministry removed from the producers of weapons and implements of war. Perhaps this is not the time to argue the merits or defects of these different systems. It has always appeared to me to be a great merit that the Controller of the Navy, and Third Sea Lord, after being responsible for the design of one of His Majesty's ships, may later find himself in command of it. That has actually happened within the memory of the House. Sir Bruce Fraser, as he then was, at the beginning of the war was Controller of the Navy and Third Sea Lord, and later was Commander-in-Chief of the Home Fleet, and subsequently Commander-in-Chief in the Pacific. Therefore, he was fighting in ships for the designs of which he has been responsible in his previous capacity.

There are, of course, defects in a system which orders separately what, for some reason, are called "common user items," such as shirts or .303 ammunition. Whatever system is used, no one who has intimate knowledge of these problems will deny that the most obdurate trouble is to try to bring into harmony the tactical needs, the everchanging nature of battle, the kaleidoscope of war, with the technique of production in modern industry. It is a complicated, slow, cumbersome and long-term process to change the products of industry, and nowhere more so than in mass production to meet the needs of the tactical battle. Tactics change under the spur of war, almost overnight -- across from the North Africa Desert, with almost unlimited fields of fire, to the olive groves and vineyards of Sicily or Italy, where an entirely new tactical problem presents itself, requiring entirely different weapons. The adjustment between the user of the weapons and the producer of the weapons, requires the most continuous study. It requires knowledge of war by those who produce the weapons, and knowledge of the mechanical possibilities of modern weapons by those who use them. All this calls for the greatest foresight and closest collaboration. It is only too easy for industry to produce weapons efficiently, in large numbers and mechanically satisfactory, which are obsolete or useless when they come off the production line. It is only too easy for admirals, generals and air marshals to make plans involving the use of weapons which we cannot produce and on which they have no right to count.

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they were used in the production of munitions, and was left over for production for civilian use. Apparently, all these functions, which are complex and baffling, are to be put on the shoulders of the Minister of Defense. He will need the Ministry which he is to get for this purpose, and I express anxiety lest he should be overburdened with administrative detail, whereas what the House looks and hopes for is a Minister who will have time to look at broad strategic questions, and broad matters of defense, and not become a sort of uneasy clearing house for a great mass of Departmental detail. I think it is very dangerous to dismiss a thing like apportionment of resources in the way it is dismissed in the White Paper. The White Paper deals with it much too glibly, and I rather suspect that the right Honorable Gentlemen would agree with me in his heart of hearts.

Paragraph 32 of the White Paper deals with the organization and formation of policy for research and development. It begins with the deliciously ingenuous phrase:

"The problem here is to secure the continued and complete integration of military and scientific thought at all levels..."

Well, as the Americans say, "You're telling me," Apart from the fact that such integration is manifestly impossible, I, nevertheless, welcome the attempt to tackle the problem. Again, however, I doubt whether the great extent of the task is really conveyed by that paragraph. In my opinion, when history comes to be written it will be found that by no means the least of the contributions made by my right Honorable Friend the Leader of the Opposition to victory lies in this particular field. It is a contribution which is almost unknown to the public. My right Honorable Friend succeeded in getting a hearing for any new idea. He brushed aside objections, and pulled down barriers, and encouraged the most improbable people to put forward more improbable ideas, out of which there emerged, very often, a contribution to victory. I think that the decisive result of this kind of action -- and I do not use the word, "decisive," loosely, -- will one day be recognized. So, I welcome very heartily the attempt to weld scientific and military thought together at the beginning. But, as this is going on to the shoulders of the Minister of Defense, he will have a very hard time.

Now, I wish to draw attention to a very remarkable omission from the White Paper. There is no mention of the arrangement to be set up between the Ministry of Defense and the Ministry of Transport. We are an island people, and availability of shipping is the limiting factor of large-scale intervention in war in any part of the world. Therefore, we should have expected to see a committee or organization maintained in peace, as well as in war, which would keep the Ministry of Defense and the Ministry of Transport in communication with one another from day to day. That should form an integral part of the central organization for defense, and I hope that when the Minister comes to reply, he will deal with this point, and consider whether a committee or body is not necessary.

I conclude by saying that we on this side of the House hope that the right Honorable Gentlemen who is to be Minister of Defense will succeed in carrying out his heavy and hazardous tasks, although some of those tasks are, we think, too heavy. He carries our good wishes, and we hope most sincerely that if his burden becomes too detailed and too heavy, he will not hesitate to shed some of his responsibility on to others, or broaden the organization which is outlined in the White Paper.

Insert as part of paragraph two at end thereof:

In order to make clear what I consider the over-all objectives of the bill, I would like to interpolate the following: The over-all objectives of S. 758, as I see them, are those of establishing a more economical, integrated means of providing for national security and at the same time formalizing the proven machinery that was developed to such good purpose during the war and included in this bill, such as:

- The Joint Chiefs of Staff
- The Munitions Board
- The Research and Development Board
- The Central Intelligence Agency
- The National Security Council
- The National Security Resources Board

In order to tie together these agencies and for better coordination of the several services, there should be an executive appointed from civil life by the President, by and with the advice and consent of the Senate, whose duty, under the direction of the President, shall be to recommend to him policies and programs for the National Defense establishment. He should be empowered to exercise supervision and coordination of the departments and agencies.

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FROM		TO	INITIALS	DATE
	DIRECTOR OF CENTRAL INTELLIGENCE			
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	ADVISORY COUNCIL			
	EXECUTIVE FOR PERSONNEL & ADMINISTRATION			
	CENTRAL RECORDS			
	SECRETARY, NIA			
	CHIEF, INTERDEPARTMENTAL STAFF			
	ASST. DIRECTOR, SPECIAL OPERATIONS			
	ASST. DIRECTOR, REPORTS & ESTIMATES			
	ASST. DIRECTOR, COLLECTION & DISSEMINATION			
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their nature, and, if rejected now, are likely again to be urged upon Congress, possibly in other forms, it seems advisable now to examine all of them very thoroughly. The comments made herein with regard to them will apply to them equally well whenever and however they shall appear in the future."

"Briefly stated, the principal purpose of the legislation proposed by this bill is to empower the chief of an all-powerful general staff corps, acting by authority of the President or in his name, or with the acquiescence and in the name of the Secretary of War, to do whatever is necessary

Mr. President: Our forefathers, at the founding of this great nation, were rightly suspicious of granting too much authority to that necessary adjunct of a sovereign state - the armed forces. In their wisdom, they wrote into the Constitution definite provisions which they believed would forever maintain the army and the navy as the willing servants of civil power, and would never permit them to become our master.

In these troubled days, and until such time as the nations of the world can compose their differences without recourse to war, the military services are an element that must be maintained to preserve to us and to our children the benefit of a democratic government - a government of the people, by the people, and for the people. But like all cancerous growths, they are never satisfied with what they have. Believing, in spite of all the evidence to the contrary, that civil government is clumsy, inefficient and extravagant, the military continually seeks to extend its influence, both within and without the armed forces, and to take unto itself many of the prerogatives of the executive and legislative branches of our government.

We have been told repeatedly during these past two years that in these days of total war, involving every governmental agency and every walk of human endeavor, our only hope of survival rests in the lessening of civilian control over the military services, and in the concentration of power and authority in the hands of the few who will, in turn, be dominated by their professional military advisers.

There is nothing new in these proposals; for history is replete with examples of them and, what is more important, with the sobering and terrifying results that have inevitably followed in due course when they have been adopted.

It was such a philosophy that permitted Napoleon to become the scourge of Europe at the beginning of the nineteenth century. It was such a philosophy that permitted the professional militarists of Germany to dominate that country in the short span of seventy years and to bring about the cataclysm of the First World War, in spite of the provisions written into the Prussian Constitution of 1850 which gave to the Diet - much as our Constitution gives to Congress - nominal control over the military budgets and over the war minister. It was such a philosophy that resulted in the military domination of Germany, Italy, and Japan during the last decades of the philosophy that we have just waged World War II to defeat. It is such a philosophy that we are now being urged to accept without the most searching of examinations because it has been recommended to us by our military advisers.

Do we really wish to follow in these footsteps of history? To provide for military domination of all of the agencies of our government, of our industry, and of our manpower? And to come at last to the inevitable military defeat that has followed in due course as the night follows the day? I do not think so; nor do I wish that it be done.

I know that many will say that these things cannot happen in this free country of ours. But I say that they can happen here; that they can and will happen unless we retain within these Halls of Congress our traditional and democratic civilian control over the armed forces of this nation.

In 1919, at the end of World War I, a bill was presented to Congress which would have deprived it of its power to control the Army. This bill was defeated by the efforts of Senator Chamberlain, whose summation is as cogent today as it was twenty-eight years ago. I quote from his "Analytical and Explanatory Statement" as prepared for the use of the Senate Committee on Military Affairs by the Government Printing Office, 1919:

"This bill was framed by military advisers of the Secretary of War. Inasmuch as many of these proposals are radical and even revolutionary in their nature, and, if rejected now, are likely again to be urged upon Congress, possibly in other forms, it seems advisable now to examine all of them very thoroughly. The comments made herein with regard to them will apply to them equally well whenever and however they shall appear in the future."

"Briefly stated, the principal purpose of the legislation proposed by this bill is to empower the chief of an all-powerful general staff corps, acting by authority of the President or in his name, or with the assistance and in the name of the Secretary of War, to do whatever each succeeding chief of staff may from time to time desire to do with regard to the duties, powers, functions, records, property and personnel of all military bureaus and offices of the War Department; . . . All previous legislation by Congress with respect to the 'duties, powers and functions' of officers of the various staff corps and departments and of the line of the Army is

is entitled "The Defense Co-ordination Act of 1947"; it might appropriately be entitled "The Anti-Military-Dictatorship Act of 1947". I respectfully request it be approved for Release 2002/10/31 : CIA-RDP90-00610R000100050020-0 to the floor of the Senate.

In many respects this bill which I am introducing resembles Senate Bill 758 that it continues those coordinating agencies now in existence which should be retained, such as the Joint Chiefs of Staff, the Munitions Board, and the Research and Development Board. In many respects it differs from S. 758 since it contains no provision for a single department of the armed forces, for a single department secretary or an overall High Command. Most important of all, it sets forth the governmental agencies concerned with national defense in their proper perspective to each other and maintains the civilian control over the armed forces essential to the continued existence of our democratic form of government.

It is my belief that the provision of this bill will allay those apprehensions which have been voiced on all sides by spokesmen for the Navy, fearing the loss of naval aviation; for the Ground Forces, fearing the loss of its close support arm; for the Marine Corps, fearing the loss of its Fleet Marine Forces; and for the Air Force, fearing that it may be submerged under the surface elements of the Army and the Navy. Further it is my belief that this bill will best adapt to the conditions the time-tested democratic principles of organization of our armed forces -- principles which have served so successfully to defend this Nation through the 158 years of its existence.

With but one or two exceptions, every single element set forth in this bill has been subjected to the test of war; they carried us through World War II to victory; they have carried us through the days of readjustment since August 14, 1945.

While avoiding the pit-falls of Senate Bill 758 which can surely lead us along the road to military dictatorship, this bill will provide the agencies which are so necessary for the proper coordination of all the elements of government concerned with our national defense and, at the same time, it will perpetuate for us and for the generations yet unborn the democratic principles upon which this Nation was founded.

If we fail to heed these principles, we will do irreparable harm to the security of the Nation. If we fail to heed these principles, we will jeopardize the very foundations of democratic government.
